

Annual Low and Moderate Income Housing Report to Workforce Services and Community and Economic Development

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May 15, 2007

Statutory Requirements:

1. In FY07 the Division of Housing and Community Development within the Department of Community and Culture received \$10,000 in appropriations from the Utah State Legislature for affordable housing planning. During FY07, the Division is leveraging approximately \$97,000 from other community partners to implement a comprehensive follow-up, including technical assistance to municipalities for moderate/affordable housing planning in accordance with UCA 9-4-1204. The program and services will assist eligible cities and counties in meeting the requirements of 10-9a-408 and 17-27a-408 respectively.

a. Financial:

Due to the small amount appropriated, the 150 municipalities required to prepare moderate/ affordable housing plans (13 counties and 137 cities) will not receive direct financial assistance for housing planning. As each community's affordable housing needs are identified and specific housing projects are planned, each municipality will be encouraged to submit funding requests to the Olene Walker Housing Loan Fund (OWHLF). For FY07, the OWHLF received \$3,575,700 in state funds, \$3,840,382 in federal U.S. Department of Housing and Urban Development funds, and \$1,500,000 in federal USDA Rural Development funds. These funds are allocated quarterly for predevelopment, construction project loans, and grants by the OWHLF Board. OWHLF applicants are strongly encouraged to leverage with other funding sources such as other HUD programs, Community Development Block Grants, area banks, private foundations, and Private Activity Bonds. For FY06, OWHLF leveraging averaged 1:11.

b. Information:

The Division of Housing and Community Development is currently evaluating housing plans from across the state to determine which cities and towns have prepared, reviewed, or updated housing plans per 10-9a-408 and 17-27a-408. The evaluation also includes a qualitative review of each plan to determine the level of technical assistance and information needed by municipalities to complete a useful housing plan. The evaluation will be completed by September 30, 2007. The goal is to help each community create housing plans that accurately forecast housing needs and to present options and strategies that best meets those needs.

A partnership has been established between the Division of Housing and Community Development, six Utah-based industrial banks, and a nonprofit

organization. Because the banks are required to meet the requirements of the Community Reinvestment Act, they are willing to provide financial support for developing and delivering training and workshops on affordable housing planning to cities and counties beginning in late summer 2007. These partners are financing the development of a software tool that allows communities to project population growth and the need for low to moderate-income housing. The partnership will also provide information and presentations during the fall 2007 Utah League of Cities and Towns conference.

c. Technical Advice:

Community-specific technical advice will be rendered by the partnership over the next 3 years. Besides the information and workshops noted in paragraph (b), the partners would help each community to develop housing programs and projects that meet pressing housing needs. That technical assistance will often direct communities to sources for project financing, outline steps in project development and construction, and assist with any federal housing compliance issues. Because many high-growth communities are finding shortages of workforce housing (cities such as St. George, Park City, Vernal, Heber City, and Moab), creation of these units is a growing priority for the partners. Technical assistance will also focus on removing regulatory barriers to moderate/affordable housing.

2. The following are the number of low to moderate income housing units constructed or rehabilitated in Utah and financed with Olene Walker Housing Loan Funds:

New or Rehabilitated Housing Units Financed with Olene Walker Housing Loan Funds

	FY05	FY06	FY07*
Single Family Units	130	126	200
Multifamily Units	518	540	566
Total Units	648	666	766

*Preliminary totals as of May 15, 2007

Recommendations for FY08:

- Complete a statewide assessment and database of housing planning by cities and counties pursuant to 10-9a-408 and 17-27a-408
- Increase communications and develop more collaborations between different state and local government, local housing agencies, and other private and nonprofit funding sources
- Provide municipalities with tools to better estimate current and future moderate/affordable housing needs and to update their housing plans
- Provide additional technical assistance and training for municipal officials to better understand and implement affordable/workforce housing solutions for their communities